

MINUTES TO SET DATE FOR HEARING  
ON ENTERING INTO A LOAN AND  
DISBURSEMENT AGREEMENT

436558-10 (N/I)

Early, Iowa

June 15, 2021

The City Council of the City of Early, Iowa, met on June 15, 2021, at 7 o'clock p.m., at the City Hall Council Chambers, in the City. The Mayor presided and the roll was called showing the following members of the Council present and absent:

Present: Bill Cougill, Brian Pickhinke, Summer Schmitt

Absent: Tim Langner, Steven Mason.

Council Member Brian Pickhinke introduced the resolution hereinafter next set out and moved its adoption, seconded by Council Member Summer Schmitt; and after due consideration thereof by the Council, the Mayor put the question upon the adoption of the said resolution and the roll being called, the following named Council Members voted:

Ayes: Bill Cougill, Brian Pickhinke, Summer Schmitt

Nays: \_\_\_\_\_.

Whereupon, the Mayor declared the resolution duly adopted as follows:

RESOLUTION NO. 21-14

Resolution to fix a date for a public hearing on proposal to enter into a Water Revenue Loan and Disbursement Agreement and to borrow money thereunder in a principal amount not to exceed \$4,500,000

WHEREAS, the City of Early (the “City”), in Sac County, State of Iowa, did heretofore establish a Municipal Waterworks Utility System (the “Utility”) in and for the City which has continuously supplied water service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council (the “Council”) and no board of trustees exists for this purpose; and

WHEREAS, pursuant to a prior resolution of the Council (the “Outstanding Bond Resolution”), the City has heretofore issued its \$780,000 Water Revenue Bond, SRF Series 2011, dated August 5, 2011 (the “Outstanding Bond”), a portion of which remains outstanding; and

WHEREAS, pursuant to the Outstanding Bond Resolution, the City reserved the right to issue additional obligations payable from the net revenues of the Utility and ranking on a parity with the Outstanding Bond under the terms and conditions set forth in the Outstanding Bond Resolution; and

WHEREAS, the City now proposes to enter into a Water Revenue Loan and Disbursement Agreement (the “Agreement”) and to borrow money thereunder in a principal amount not to exceed \$4,500,000, pursuant to the provisions of Section 384.24A of the Code of Iowa, for the purpose of paying the cost, to that extent, of planning, designing and constructing improvements and extensions to the Utility (the “Project”), and it is necessary to fix a date of meeting of the City Council at which it is proposed to take action to enter into the Agreement and to give notice thereof as required by such law;

NOW, THEREFORE, Be It Resolved by the City Council of the City of Early, Iowa, as follows:

Section 1. This City Council shall meet on July 6, 2021, at the City Hall Council Chambers, in the City, at 7 o’clock p.m., at which time and place a hearing will be held and proceedings will be instituted and action taken to enter into the Agreement.

Section 2. The City Clerk is hereby directed to give notice of the proposed action on the Agreement setting forth the amount and purpose thereof, the time when and place where the said meeting will be held, by publication at least once, not less than four (4) and not more than twenty (20) days before the meeting, in a legal newspaper which has a general circulation in the City. The notice shall be in substantially the following form:

NOTICE OF PROPOSED ACTION TO INSTITUTE  
PROCEEDINGS TO ENTER INTO A LOAN AND DISBURSEMENT AGREEMENT  
IN A PRINCIPAL AMOUNT NOT TO EXCEED \$4,500,000

(WATER REVENUE)

The City Council of the City of Early, Iowa, will meet on July 6, 2021, at the City Hall Council Chambers, in the City, at 7 o'clock p.m., for the purpose of instituting proceedings and taking action to enter into a loan and disbursement agreement (the "Agreement") and to borrow money thereunder in a principal amount not to exceed \$4,500,000, for the purpose of paying the cost, to that extent, of planning, designing and constructing improvements and extensions to the City's Municipal Waterworks Utility System.

The Agreement will not constitute a general obligation of the City, nor will it be payable in any manner by taxation but, together with the City's outstanding Water Revenue Bond, SRF Series 2011, dated August 5, 2011 and any additional obligations of the City as may be hereafter issued and outstanding from time to time ranking on a parity therewith, will be payable solely and only from the Net Revenues of the Municipal Waterworks Utility System of the City.

At the aforementioned time and place, oral or written objections may be filed or made to the proposal to enter into the Agreement. After receiving objections, the City may determine to enter into the Agreement, in which case, the decision will be final unless appealed to the District Court within fifteen (15) days thereafter.

By order of the City Council of the City of Early, Iowa.

Lexi Bainbridge  
City Clerk

Section 3. Pursuant to Section 1.150-2 of the Income Tax Regulations (the “Regulations”) of the Internal Revenue Service, the City declares (a) that it intends to undertake the Project which is reasonably estimated to cost approximately \$4,500,000, (b) that other than (i) expenditures to be paid or reimbursed from sources other than the issuance of bonds, notes or other obligations (the “Bonds”), or (ii) expenditures made not earlier than 60 days prior to the date of this Resolution or a previous intent resolution of the City, or (iii) expenditures amounting to the lesser of \$100,000 or 5% of the proceeds of the Bonds, or (iv) expenditures constituting preliminary expenditures as defined in Section 1.150-2(f)(2) of the Regulations, no expenditures for the Project have heretofore been made by the City and no expenditures will be made by the City until after the date of this Resolution or a prior intent resolution of the City, and (c) that the City reasonably expects to reimburse the expenditures made for costs of the City out of the proceeds of the Bonds. This declaration is a declaration of official intent adopted pursuant to Section 1.150-2 of the Regulations.

Section 4. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 5. This resolution shall be in full force and effect immediately upon its adoption and approval, as provided by law.

Passed and approved this June 15th, 2021.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

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On motion and vote, the meeting adjourned.

  
\_\_\_\_\_  
Mayor

Attest:

  
\_\_\_\_\_  
City Clerk

**ATTESTATION CERTIFICATE:**

STATE OF IOWA  
COUNTY OF SAC  
CITY OF EARLY

SS:

I, the undersigned, City Clerk of the aforementioned City, do hereby certify that attached hereto is a true and correct copy of the proceedings of the City Council relating to fixing a date for hearing on the City Council's proposal to take action in connection with a Water Revenue Loan and Disbursement Agreement.

WITNESS MY HAND this 15<sup>th</sup> day of June, 2021.

L. Bainbridge  
City Clerk

**ORGANIZATION AND ESTABLISHMENT CERTIFICATE:**

STATE OF IOWA  
COUNTY OF SAC  
CITY OF EARLY

SS:

I, the undersigned City Clerk, do hereby certify that the aforementioned City is organized and operating under the provisions of Title IX of the Code of Iowa and not under any special charter and that such City is operating under the Mayor-Council form of government and that there is not pending or threatened any question or litigation whatsoever touching the incorporation of the City, the inclusion of any territory within its limits or the incumbency in office of any of the officials hereinafter named.

And I do further certify that the following named parties are officials of the City as indicated:

<u>Sharon Irwin</u>	, Mayor
<u>Lexi Bainbridge</u>	, City Clerk
<u>Lexi Bainbridge</u>	, City Treasurer
<u>Brian Pickhinke</u>	, Council Member/Mayor Pro Tem
<u>Bill Coughill</u>	, Council Member
<u>Steven Mason</u>	, Council Member
<u>Summer Schmitt</u>	, Council Member
<u>Tim Langner</u>	, Council Member

I further certify that the City established the Municipal Waterworks Utility System (the "Utility") prior to January 1, 1961, and that the Utility has been in continuous operation by the City since its establishment as aforesaid in supplying water service to the City and its inhabitants.

I further certify that the management and control of the Utility are vested in the City Council of the City, and that no board of trustees exists which has any part of the control and management of such Utility.

WITNESS MY HAND this 15th day of June, 2021.

L. Bainbridge  
City Clerk

**OUTSTANDING DEBT CERTIFICATE:**

STATE OF IOWA  
COUNTY OF SAC  
CITY OF EARLY

SS:

I, the undersigned, City Clerk of the City of Early, Iowa (the "City"), do hereby certify that the City has no bonds or other obligations of any kind now outstanding which are secured by and payable from the revenues derived from the operation of the Municipal Waterworks Utility System (the "Utility"), except as follows:

Date	Type	Principal Amount Outstanding	Maturity
08-05-2011	Water Revenue	\$ <u>402,000.<sup>00</sup></u>	06-01-2031

**(Attach here a separate sheet listing any other outstanding obligations of the City secured by and payable from the revenues of the Utility excluding the proposed issue.)**

WITNESS MY HAND this 15<sup>th</sup> day of June, 2021.

L. Bainbridge  
City Clerk